

**FISCAL NOTE  
PRIVATE COST**

**I. RULE NUMBER**

Rule Number and Name:	11 CSR 45-40.060 Cash Reserve Requirement
Type of Rule making:	Proposed Rule

**II. SUMMARY OF FISCAL IMPACT**

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
5	Fantasy Sports Contest Operators	\$10,525 one time cost

**III. WORKSHEET**

Estimated legal fees to create new entity \$2,000

Estimated filing fee \$105

$\$2,000 + \$105 = \$2,105$

$\$2,105 \times 5 = \$10,525$

**IV. ASSUMPTIONS**

The cost to private entities of complying with this regulation is difficult to determine. The regulation mirrors the requirements of § 313.930.3, RSMo, which requires licensed operators, whether or not the Commission promulgates this rule, to maintain a cash or cash equivalent reserve for the benefit and protection of the fantasy sports contests players' funds. Many of the requirements of the proposed rule likely involve practices and procedures that would be required by the statute, and as such, it would be anticipated that the entities would not be adversely affected by the proposed rule.

We assume that each applicant will create a separate legal entity to hold the funds on deposit in accounts of Missouri players. To establish the entity, it is anticipated that the operator would incur legal fees to set up the separate legal entity and would have to pay a filing fee. Two of the potential applicants already have these separate legal entities established.